



Rep. William B. Black

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09500HB3312ham001

LRB095 09179 KBJ 35016 a

1 AMENDMENT TO HOUSE BILL 3312

2 AMENDMENT NO. _____. Amend House Bill 3312 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Insurance Code is amended by
5 adding Section 370m.1 as follows:

6 (215 ILCS 5/370m.1 new)

7 Sec. 370m.1. Assignment of benefits to nonparticipating
8 physicians.

9 (a) In this Section:

10 "Exclusive arrangement" means a formal contract or
11 informal arrangement between a physician and a health care
12 facility under which only the physician, alone or with other
13 physicians selected or designated by the facility, may provide
14 a facility-based physician service at the facility.

15 "Facility-based physician service" means a service, the
16 performance of which requires a license to practice medicine in

1 this State; involving one or more of the medical specialties of
2 radiology, anesthesia, pathology, emergency medicine, or
3 neonatology; and provided to a patient of a health care
4 facility.

5 "Health benefit plan issuer" means a health insurer that
6 issues a preferred provider program under this Article or a
7 health maintenance organization operating under the Health
8 Maintenance Organization Act.

9 "Health care facility" means any public or private
10 hospital, clinic, center, medical school, medical training
11 institution, laboratory or diagnostic facility, physician's or
12 health care practitioner's office, infirmary, dispensary,
13 ambulatory surgical treatment center, or other institution or
14 location wherein health care services are provided to any
15 person, including physician or health care practitioner
16 organizations and associations, networks, joint ventures, and
17 all other combinations of those organizations.

18 "Member" means an individual insured by a preferred
19 provider program under this Article, including a covered
20 dependent or enrollee.

21 "Nonparticipating physician" means a physician who, with
22 respect to a health benefit plan, is not part of the network of
23 providers with whom the health benefit plan issuer has
24 contracted to provide medical care or health care to members of
25 the health benefit plan.

26 "Nonparticipating provider" means a provider who, with

1 respect to a health benefit plan, is not part of the network of
2 providers with whom the health benefit plan issuer has
3 contracted to provide health care to members of the health
4 benefit plan.

5 "Physician" means a person licensed to practice medicine in
6 all its branches under the Medical Practice Act of 1987.

7 (b) If a member offers to assign to a nonparticipating
8 physician the member's right to benefits from the member's
9 health benefit plan issuer, the nonparticipating physician may
10 not charge the member or the member's representative any amount
11 for any facility-based physician service provided under an
12 exclusive arrangement, other than amounts for copayments,
13 coinsurance, or deductibles as provided by the member's policy
14 or contract with the health benefit plan issuer. If a member
15 does not offer to assign or refuses to assign to a
16 nonparticipating physician the member's right to benefits from
17 the member's health benefit plan issuer, the nonparticipating
18 physician may charge the member for the facility-based
19 physician service provided under an exclusive arrangement.

20 A health benefit plan issuer's liability to a
21 nonparticipating physician for a facility-based physician
22 service provided under an exclusive arrangement is limited to
23 the health benefit plan issuer's obligation under the issuer's
24 policy of contract with the member. A nonparticipating
25 physician's charge for a facility-based physician service
26 provided under an exclusive arrangement must be the physician's

1 usual and customary charge, but may not exceed 125% of the
2 amount payable for the service under the Medicare program.

3 (b) A nonparticipating physician or provider may require a
4 member to assign the member's benefits from the member's health
5 benefit plan issuer to the nonparticipating physician or
6 provider. Except as provided in subsection (a) of this Section,
7 if a nonparticipating physician or provider accepts a member's
8 assignment of the member's benefits, the nonparticipating
9 physician or provider may not charge the member or the member's
10 representative any amount for a physician or provider service,
11 other than amounts for copayments, coinsurance, or deductibles
12 under the member's policy or contract with the health benefit
13 plan issuer.

14 A health benefit plan issuer's liability to a
15 nonparticipating physician or provider who has accepted an
16 assignment of benefits from a member for a physician or
17 provider service is limited to the issuer's obligation under
18 the issuer's policy or contract with the member. If the a
19 nonparticipating physician or provider does not require a
20 member to assign the member's benefits or otherwise accept the
21 member's assignment of benefits, the nonparticipating
22 physician or provider may charge the member or the member's
23 representative for the physician or provider service."